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13 September 1979

# East Europe Report

POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

(FOUO 6/79)



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EAST EUROPE REPORT  
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CZECHOSLOVAKIA

CHNOUPEK ON CSSR ECONOMIC RELATIONS WITH FOREIGN COUNTRIES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5,  
May 79 pp 45-54

[Article by Bohuslav Chnoupek, member of the Central Committee of the Communist Party of Czechoslovakia, minister of foreign affairs of CSSR: "Foreign Economic Relations of Czechoslovakia"]

I

[Text] I. The outlook of peace and progress is indissolubly connected to the realization of the principle of peaceful coexistence in relations between socialist and capital states and to increased international cooperation and active partnership. Problems of cooperation in trade, industry, science and technology, protection of the environment and in other economic fields under conditions of a deepening international dialog constitute an important part of the political strategy of the socialist countries.

The Helsinki Conference on Security and Cooperation in Europe created favorable conditions for the development of international ties in all spheres of human activity. It is namely due to the conference that positive changes are occurring on the European continent. New possibilities have arisen for the development of mutually beneficial economic and scientific-technical ties between European states. Certain practical steps were taken for the realization of these possibilities. On the other hand, it became clear that a stable peace in Europe was not merely a purely political problem and that it could not be ensured solely by political means.

Present-day international relations develop under conditions of acute ideological struggle, which also leaves an imprint on economic relations. But the implementation of the results of the Helsinki Conference shows that ideological differences are not an insurmountable barrier to intensive mutually beneficial relations between socialist and capitalist states. The example of Europe is particularly characteristic in this regard.

As pointed out in the Declaration of the Participating States of the Warsaw Pact (November 1978), new possibilities have appeared for mutually beneficial economic and scientific-technical cooperation between European states, "especially in the field of industrial cooperation, and certain practical steps

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were designated for the realization of these possibilities. Preparations are going on for the convocation of a general European congress for the protection of the environment, and certain forums have undertaken the examination of the question of holding similar meetings for cooperation in the field of transport, energy and in a number of other fields."

The countries of the socialist community, the chief force in the process of the peaceful transformation of international relations, proceed on the basis that mutually beneficial economic relations in Europe possess real preconditions. They stem from the historical and cultural proximity of the peoples of the continent, differences in availability of natural resources to countries, their economic and scientific-technical attainments and the specific character of relations among European states.

Despite these differences, European states have many common features. As a rule, these are countries with a modern production structure and developed industry, transport and communications system. All this objectively creates favorable possibilities for the specialization of each country and expansion of cooperation in different spheres of production, science and technology. Most European countries are characterized by the orientation of the national economy toward export and considerable dependence on foreign markets. European trade is distinguished by great traditions and rich experience. Real possibilities exist in Europe for major international division of labor also in such spheres as scientific research and development, effective unification of scientific-technical potentials of different countries and mutual supplementation of industrial structure and sources of raw materials.

II

What are the place and role of the CSSR in the complex economic relations of Europe? The need of international ties for Czechoslovakia has historical roots. Created as the result of the breakup of the Austro-Hungarian monarchy, the country inherited 21 percent of the territory, 25 percent of the population and roughly 80 percent of the industrial potential of Austro-Hungary. The country had at its disposal a good transport network, its own energy base (brown and anthracite coal) and also qualified cadres, especially in the textile and machine-building sectors.

But the domestic market was inadequate for many sectors, and a pressing need existed for the development of foreign markets. After 1918, in bourgeois Czechoslovakia heavy industry began to develop, new sectors came into being--aviation, radio equipment, weak-current electrical equipment, different sectors of the defense industry.

The betrayal by the national bourgeoisie, the Munich agreement of 1938 and the subsequent occupation of the country by Hitlerite Germany produced a heavy blow to the Czechoslovak economy. Industry was oriented one-sidedly toward military needs. The fascists mercilessly exploited the country's

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raw-material base, especially coal and timber. By the end of the war, the transport network had declined and industrial production had sharply been reduced. The people's democratic regime, established following the liberation of Czechoslovakia by the Soviet Army, found the country in a most deplorable economic condition.

Nationalization of the means of production, liquidation of private bourgeois ownership created conditions for the rapid development of socialist planned production and the powerful growth of the initiative of workers.<sup>1</sup>

For such a relatively small country as Czechoslovakia, foreign economic ties constitute an urgent need. They provide it with the possibility of making rational use of its potential. Successful and active foreign trade for Czechoslovakia--a country with a relatively developed and diversified industry but with a poor raw-material base--is an absolute necessity. Facts graphically confirm that foreign economic ties received their greatest development under conditions of socialism. A particularly dynamic growth in foreign trade took place after 1970, following overcoming of the serious crisis that was brought on by the actions of representatives of antisocialist countries. In 1975, the index of the volume of foreign trade was 179 (1970 = 100), while in 1977, it was already 224.<sup>2</sup>

Czechoslovakia has an all-round production potential and is included among economically developed countries. Its share in world production has increased from 1.3 percent on the eve of World War II to 1.6 percent at the present time. Industrial production volume increased 10.3-fold during 1948-1977 and 11.1-fold compared to 1937. Whereas in 1936-1938 industrial production volume per capita of the population was twice the world average, at present it is 5 times that average. Serious achievements have been attained in agriculture. From 1948 to 1977, agricultural production doubled over the prewar level with a fewer number of people being engaged in it.

Particularly noteworthy are the successes of socialist Slovakia, which formerly was a kind of agrarian appendage to bourgeois Bohemia. It is enough to say that prewar Slovakia lagged about 40-50 years economically behind Bohemia. Compared to 1937, industrial production in Slovakia had grown 42-fold and the number of employees 6-fold by the end of 1977. Before the war, it produced 7-8 percent of the entire country's industrial production, today--as much as 27.5 percent. Slovakia's industrialization, its transformation from a backward agrarian to a developed industrial region increased the economic power and strengthened the unity of the Czechoslovak state.

For many types of products, the CSSR is to be included among the large producers. In brown coal production per capita of the population (6.2 tons), it occupied in 1977 second place in the world, in the production of anthracite coal (almost 1.9 tons)--in 7th place, in production of cast iron (658 kg)--in 5th place, steel (1 ton)--in 4th place. Per-capita electric power production is 4,411 kilowatt-hours, cement--649 kg, footwear--8.5 pair.

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Due to specialization, which became possible primarily as the result of socialist economic integration, Czechoslovakia produces approximately 17 percent of the world export of diesel and electric locomotives and 6 percent of the machinery for the food industry, with the relative share of the country in total world-trade turnover being equal to 1.1 percent. The Czechoslovak share of commodities in world export of machinery for the footwear, textile and fur industry, metalworking machine tools and tractors is 3-5 percent.

One-third of the country's material production in one way or another relates to foreign trade. Here our economy finds reserves of socialized labor, new funds for investment in the national economy, increasing its effectiveness. Thus it is natural that foreign economic relations and their active utilization come under the principal tasks of the economic policy of the Communist Party of Czechoslovakia.

III

The development of Czechoslovakia's economic relations is promoted, on the one hand, by the cooperation of socialist countries within the framework of economic integration and, on the other, by the policy of weakening of international tension and peaceful cooperation of states with different social systems.

We consider mutual beneficial economic and scientific-technical cooperation to be a stable material basis for the relaxation of international tension. At the same time, we attach great importance to ties in Europe on the basis of long-term programs that are described in the appropriate chapters of the Concluding Act of the Helsinki Conference.

"We live in a world that is undergoing difficult times," General Secretary of the Central Committee of the Communist Party of Czechoslovakia, CSSR President G. Husak said at the 12th plenum of the party in December 1978. "... The foreign and internal conditions of economic development, which are becoming increasingly complex, present bigger demands on us. Close and all-round cooperation with the Soviet Union and other socialist countries is indispensable and of constantly growing significance for us."<sup>3</sup>

Life again and again confirms this truth at every step. Therefore the most reliable way of increasing Czechoslovakia's participation in international division of labor and thus in the creation of conditions for the further strengthening of its prestige throughout the entire world we believe to be the gradual growing closer of our economy with the economy of the fraternal socialist countries. In the directives of the 15th Congress of the Communist Party of Czechoslovakia for 1976-1980, the need is emphasized for greater inclusion of the economy in international division of labor and intensive participation in socialist economic integration, the highest form of international division of labor.

The basis of our participation in integration is the long-range Complex Program of Socialist Economic Integration of CEMA Member-States (1971). The



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realization of the Complex Program has advanced considerably with the help of coordination of national-economic plans of the CEMA states for 1976-1980, the adoption of the Coordinated Plan of Multilateral Integrational Measures and also long-term multilateral and bilateral agreements on economic and scientific-technical cooperation, specialization and cooperation. Expansion of production ties is assisted by long-term goal programs of cooperation for the period up to 1990.

The development of Czechoslovakia's foreign trade with CEMA countries provides a significant picture of the dynamic growth of economic relations. Foreign-trade turnover with these countries grew twentyfold since 1948; at the same time, its share in the total volume of Czechoslovakia's foreign trade during 1970-1977 increased from 64.2 percent to 67.5 percent. The growth rate of trade with states of the socialist community is constantly outstripping the growth of the total turnover of Czechoslovak foreign trade. In our exports there is a predominance of manufactured products, mostly machinery and equipment. In imports, a tendency is also observed for growth of the share of manufactured products.

In recent years, production cooperation has been becoming increasingly widespread. In decisive sectors, long-term permanent ties are being formed, which will determine not only the further growth of integration but also growth of production efficiency for the entire socialist community. Increasing production specialization and cooperation with socialist countries is particularly topical in value for the CSSR, for it is bound reliably to ensure the stability and dynamism of its economy.

There where we use specialization and cooperation, there is a growth in productivity and production efficiency. The share of specialized production in Czechoslovak exports to CEMA states is increasing; in exports of machinery, for example, it has reached 30 percent. In 1978, Czechoslovakia had numerous agreements on specialization and cooperation of production of very important products of machine building with CEMA countries.

On the basis of the Soviet-Czechoslovak agreement of 1974, a number of Czechoslovak enterprises were included in the manufacture of equipment for atomic electric power stations (high-pressure boilers, special steam turbines, steam compressors). An automatic spindleless spinning loom, designed jointly by Soviet and Czechoslovak engineers and technicians, is enjoying big success on the world market. Soviet and Czechoslovak designers have created a number of new types of electric motors. Thanks to agreements on specialization, the Czechoslovak electrical-equipment plant in Moglelnice is being transformed into one of the largest plants in Europe for the production of electric motors.

Specialized production of a number of other important products is also developing successfully. They include agricultural equipment (together with GDR), trucks (with Bulgaria), passenger motor vehicles (with USSR and GDR). Within the framework of the CEMA, Czechoslovakia has become a specialized producer of other important products as well--trucks with a load capacity of 12 tons, streetcars, equipment for computer technology.

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Czechoslovakia is contributing just as intensively to the realization of the Complex Program in the field of science and research. From cooperation in scientific research, it is going on to joint research. Czechoslovakia is participating in 62 multilateral agreements and in the operation of 5 general coordinating centers; its scientific workers are working in a number of international scientific collectives, laboratories and institutes.

On the basis of multilateral and bilateral talks with fraternal countries on the realization of the Complex Program and coordination of national-economic plans for 1976-1980, as well as long-term trade treaties, a solid base has been created, meeting requirements especially in fuel, energy and raw materials and contributing to the further growth of international division of labor, especially in the processing industry and scientific-technical cooperation.

Within the framework of bilateral and multilateral measures relating to economic cooperation, Czechoslovakia frequently participates in a unique form—granting of long-term credits. They include—development of metallurgy and extraction of petroleum and natural gas in the USSR, of the coal industry in Poland, production and processing of potassium in the GDR, a number of sectors of industry in Hungary, plywood in Romania. Czechoslovakia participated in the construction of the Druzhba petroleum pipeline, the creation of the General Park of Freight Cars, the Single Energy System of CEMA Member-Countries and the operation of newly created economic organizations. Despite the fact that the scale of integrational multilateral relations of Czechoslovakia with the other CEMA countries is constantly growing, bilateral cooperation carried out in accordance with the aims of the Complex Program also retains its importance.

The Sixth Five-Year Plan for the development of the country's national economy during 1976-1980 includes a special section on tasks stemming from participation in socialist economic integration. Party and government organs give paramount attention to the fulfillment of these tasks. As noted at the December plenum of the Central Committee of the Communist Party of Czechoslovakia (1978), improvement of the quality and efficiency of all work creates good prerequisites for the fulfillment of our commitments, first of all those connected with participation in the main integrational measures.

IV

The best guarantee of the stability and dynamism of Czechoslovakia's economic development is cooperation with the USSR. Without the participation of the Soviet Union, it would have been impossible to solve in a short period the difficult problems of postwar reconstruction of the national economy and provision of industry with the necessary raw materials and of the population—with needed goods. Trade with the USSR is indissolubly bound with socialist reorganization of Czechoslovak industry and the creation of a foundation of socialist society and social-economic processes contributing to the formation of a new social order.

The treaty of friendship, cooperation and mutual aid between the USSR and the CSSR signed in 1970 organically stemmed from the 1943 treaty and created

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prerequisites for qualitatively new forms of relations between the two countries. This treaty became a program document of cooperation in all fields for the long period. In the last thirty years the volume of reciprocal deliveries of goods has grown 25-fold; in 1977 it exceeded 5 billion transferable rubles. This is half of the turnover with all socialist countries and one-third of Czechoslovakia's total foreign-trade turnover. During 1976-1980 reciprocal volume of goods grew roughly 45 percent (in comparable prices) compared to the preceding five-year period and will achieve a record sum of 24 billion rubles.

In the past year of 1978, Soviet-Czechoslovak economic and scientific-technical relations received exceptional attention at all levels. A notable event was a visit by a Soviet party-government delegation headed by L.I. Brezhnev. During the visit, basic questions and problems of this important field of cooperation were discussed--a number of agreements were concluded here just in 1978.<sup>4</sup> The parties emphasized the growing importance of common planning and complex forms of industrial and scientific-technical relations, making it possible to unite effectively efforts in the sphere of material production.

Both sides consider as a most important task transition to expanded economic relations on a long-term basis and determination of main directions in cooperation. Both delegations agreed to speed up the development of a joint program of specialization and cooperation of production up to 1990. Special attention will be paid here to raising the scientific-technical level of sectors that are of decisive importance for the economies of the two countries.

The delegations also confirmed that the USSR and the CSSR will henceforward increase their contribution to the joint development of atomic energy in the socialist countries. The parties noted with satisfaction that the completion of the construction of the gigantic Soyuz gas pipeline will be of exceptional importance for the economies of the constructing participating states.

In the talks, the Czechoslovak sided highly appreciated the technical aid of the Soviet Union in the construction of atomic electric power stations and also of the Prague Metro, rightfully called a construction project of Soviet-Czechoslovak friendship. The USSR delegation in its turn spoke positively of the role of Czechoslovak deliveries of machinery and equipment for the Soviet national economy, especially for the metallurgical, petrochemical, petroleum-refining industry and transport.

Economic cooperation, as was noted at the time of the meeting, continues to be the main, determining factor in the rapid and continuous development of Czechoslovakia's national economy. All the prerequisites exist for the further expansion of Soviet-Czechoslovak economic relations. Their central direction is close specialization and cooperation of production.

Considerable momentum to the economic cooperation of the CSSR with other countries of the socialist community and to the deepening and acceleration

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of integration was given by the November conference (1978) of the Political Consultative Committee of the Member-States of the Warsaw Pact. As we know, it paid special attention to long-term goal programs of multilateral cooperation up to 1990. Such programs should provide for the needs of member-states in fuel, energy, raw materials, food products, machinery, equipment and modern technology. They will significantly increase the possibilities of all-round and fuller use of the advantages of socialism.

Czechoslovakia is devoting a great deal of attention to economic cooperation with other socialist countries as well, particularly with the Socialist Republic of Vietnam. In accordance with a treaty on deepening and expanding relations during 1976-1980, the CSSR granted credits for compensation of deliveries for investment construction projects (for example, for restoration of the railroad connecting the country's north and south). Commodity turnover between the countries during 1976-1980 should increase by 80 percent.

The CSSR provides assistance in teaching different trades to Vietnamese citizens. During the past six years 5,000 Vietnamese were trained and another 3,500 were accepted. Within the framework of the CEMA Czechoslovakia will participate in the building of a cement plant and a metallurgical combine in the country, in eliminating the damage done to Vietnam by Beijing, which perfidiously violated its treaty commitments.

Czechoslovakia grants credits and provides material-technical aid also to the Lao People's Democratic Republic. The government of the LPDR highly valued Czechoslovakia's material assistance in overcoming the consequences of the drought in 1977 and the flood in 1978. In cooperation with the Soviet Union and other CEMA countries, Czechoslovakia assists fraternal Laos in the construction of surfaced roads. Both sides are also preparing conditions for the long-term development of mutually beneficial cooperation in prospecting for and utilization of the natural wealth of the LPDR and in the creation of a geological service.

Cooperation with the Democratic People's Republic of Korea is developing especially in the field of trade. In 1978 the volume of commodity turnover between the CSSR and the DPRK exceeded by 22.5 percent the 1977 indicator.

V

The planned development of the Czechoslovak national economy and the growth of its possibilities and needs create a constant interest in expansion of trade with capitalist states. But stable and long-term economic relations are incompatible with all manner of limitations, discrimination and with attempts of interference in the internal affairs of peoples. Elimination of hindrances would lead to significant expansion of trade and economic relations with capitalist countries. These relations could be transformed into an important factor for improvement of relations between states with different social systems.

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Czechoslovakia's foreign-trade turnover with developed capitalist states has been growing from year to year, and their share in our foreign trade has likewise grown: in 1960 it comprised about 17 percent and in 1977 about 20 percent. The fastest increase in commodity turnover is with West-European partners (the FRG share in Czechoslovakia's foreign trade with this group of countries amounts to 26.5 percent, with Austria--15.4 percent, Great Britain -- 9 percent, France--5.2 percent and Italy--5.9 percent). In recent years the relative share of the United States has grown (approximately to 4 percent of turnover with capitalist states).

Industrial and economic cooperation is developing successfully with our southern neighbor--Austria, with Holland, Sweden and Norway. A certain development is also to be noted in relations with Canada. Japan has become rather a big partner in the field of scientific-technical cooperation. The number of working groups, formed within the framework of committees, engaged in preparations of cooperation and also in the exchange of economic, commercial and technical information by the CSSR with developed capitalist countries exceeds 40.

Czechoslovakia has concluded 9 intergovernmental agreements in the field of scientific-technical cooperation. Half of them were signed after the Helsinki conference. Scientific-research institutes and laboratories of the Czechoslovak Academy of Sciences are actively participating in cooperation with industrial capitalist states. The CSSR Chamber of Commerce maintains close contacts with the chambers of commerce of many capitalist countries. Representations of more than 40 foreign firms are being established in the country.

The role of Czechoslovakia as a transit state, and one through which many European routes pass, is constantly growing. This includes first of all a petroleum pipeline, a gas pipeline, electric transmission, motor, railroad and river transport lines. In 1978 an agreement was signed by Czechoslovakia and the USSR on deliveries of natural gas to Czechoslovakia and its transit across the territory of the country. On its basis Czechoslovakia will provide transmission of natural gas from Iran to West-European states. There has been proposed the construction of still another (third) line of a transit gas pipeline across our territory, which would supply gas both to the CSSR and to West-European countries. After this line reaches full load in 1984. Czechoslovakia in total capacity of transit system will become the biggest transporter of natural gas in Europe.

A highway, whose construction will be completed in 1990, will also cross the CSSR. It will go across countries situated between the Baltic and Mediterranean seas--Poland, Czechoslovakia, Austria, Italy, Hungary, Bulgaria, Greece and Turkey (total length--about 10,000 km).

Czechoslovakia devotes considerable attention to agreements on industrial cooperation, which constitute a progressive and promising form of cooperation and trade. With the help of industrial cooperation, the production capacities of partners and their scientific-technical potential are used more effectively

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and investment programs are also being implemented. Particularly promising are such forms of cooperation, where reciprocal deliveries occur on the basis of exchange of components, spare parts or finished products.

New forms of economic cooperation are playing a growing role in foreign-economic relations with capitalist countries. As a result, our participation in international division of labor is becoming bigger, more stable and effective and is assuming a complex and long-term character. For example, at the time of the chairman of the CSSR government L. Strougal to France (November 1975), a long-term agreement was signed on economic cooperation for 10 years between the two countries.

Industrial cooperation and specialization between CSSR and capitalist states is only developing. In 1977, there were in effect 24 agreements on industrial cooperation, 12 of them with the FRG, 3 with France, 3 with Austria and the rest with Sweden, Italy and Spain. Agreements concluded on an intergovernmental level include the production of calculators, trucks and so on. Cooperation ties exist between a Czechoslovak enterprise in Brno and the West-German firm of Siemens in the production of teletype machines. The ChKD Machine-Building Combine cooperates with the West-German Kraftanlagen Company in the manufacture of heating equipment.

In 1978 an agreement on cooperation and granting of licenses, particularly for the technology of a number of chemical processes in the field of polymers, biological science and electrochemistry and also in energy, was signed by the Czechoslovak Politechna Foreign Trade Society for Technical Cooperation and English firms.

Czechoslovakia also participates in mixed (jointly with capitalist firms) societies and construction projects. It is building together with France an electric power station in Algeria. In addition, mixed sales societies have been formed, for example, the Czechoslovak-Italian Sigma Italiana, the Czechoslovak-Swedish Scansigma and others.

The CSSR supports efforts of countries and organizations aimed at the solution of problems, which, as was emphasized in the Concluding Act of the Helsinki Conference, can only be effectively solved in close international cooperation. These are problems connected with the protection of the environment, energy and transport.

One of the chief reasons hindering the development of equal and mutually beneficial economic ties is the adoption by capitalist states and their groups of a number of trade-political measures. They have erected a whole system of discrimination of socialist countries. A serious barrier to trade between the CSSR and developed capitalist states is being created by the artificially maintained structure of barter, which is of no benefit to Czechoslovakia and is not suitable to the level of its economy.

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VI

Czechoslovakia's relations, like those of all socialist states, with the developing countries are based on principles of sovereignty, equality and mutual gain. Czechoslovakia provides aid to these countries in the building of their independent national economies and of industrialization, primarily within the framework of economic cooperation carried out on a long-term basis; it supports just requirements of the developing countries aimed at the establishment of a new international economic order and change of an unfair system of relations.

The CSSR has at the present time economic relations with more than 100 developing countries. It has concluded with them more than 70 agreements on economic cooperation and on regulation of trade and payment conditions. Agreements on scientific-technical cooperation have been signed with 35 states. In 43 of the developing countries, Czechoslovakia has its own representatives. The regular barter of goods practiced formerly is being increasingly supplemented with cooperation. Such relations not exist between the CSSR and India, Mexico and Iraq.

Several hundred Czechoslovak specialists are working in different economic sectors of the developing countries. The CSSR supplies these countries with machinery and equipment and has put into operation hundreds of large industrial enterprises. The latter include 60 plants in India, 15 in Iraq, 14 in Brazil, 10 in Afghanistan and 7 in the Sudan. They include electric power stations, petroleum refining plants, open-hearth furnaces, foundry shops, machine-building plants, mines, cement, brick and ceramic plants, textile factories and plants for the production of leather, rubber, sugar and canned goods.

Very intensive ties exist with Angola, Mozambique, Ethiopia, the People's Democratic Republic of Yemen and Afghanistan. Thus, in accordance with concluded agreements on economic, trade and scientific-technical cooperation, there are being built or have been built industrial facilities (footwear and tire plants and a plant for leather production). In the People's Republic of Angola, Czechoslovak specialists are supplying aid in the restoration of transport, electric power stations and the paper industry. Moreover, Czechoslovakia is helping in the training of national cadres.

The economic cooperation of Czechoslovakia and Yemen is aimed at the strengthening and development of an independent economy. Czechoslovakia assists in carrying out of geological investigation of coal deposits in five provinces of the country and in the training of cadres for industry and agriculture. The CSSR has traditionally good economic relations with Afghanistan. With the help of Czechoslovak credit a number of industrial facilities have been built; among them is the first cement plant in the country.

A new element in international cooperation with developing countries is construction of facilities together with other socialist states. Thus the CEMA and Iraq have concluded an agreement on cooperation.

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Czechoslovakia's total exports to developing countries had grown in 1977 compared with 1976 by 27.7 percent, including exports of machinery and equipment by 29.5 percent. In recent years the structure of Czechoslovak exports to developing countries has markedly improved, with machinery and equipment being predominant (more than 60 percent of total exports). Imports from these countries in 1977 increased 41 percent over 1976. All this attests to the fact that relations with young states that have abandoned the ways of colonialism comprise an important and growing part of Czechoslovak foreign trade.

Czechoslovakia is an active participant in international division of labor and makes an active contribution to the development of peaceful coexistence of states with different social systems. As was pointed out at the 15th Congress of the Communist Party of Czechoslovakia, the international position of the country in recent years has been strengthened, and its prestige has grown. Successfully developing foreign-economic ties, first of all within the framework of the socialist community, Czechoslovakia is contributing to progress in the cause of peace and international detente and fruitful cooperation on a European and global scale.

FOOTNOTES

1. In comparison with 1937, the national income was 151 percent in 1953 and 173 percent in 1955.
2. RUDE PRAVO, 17 Apr 1978.
3. Ibidem, 9 Dec 1978.
4. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 5.
5. The treaty base of Soviet-Czechoslovak economic relations is quite solid: of 153 intergovernmental and interdepartmental treaties, 111 pertain to cooperation in different economic fields. They include an agreement on commodity turnover and payments for 1976-1980, long-term agreements on the development of certain raw-material sectors in the USSR, an agreement on transporting of natural gas across CSSR territory to countries of Western Europe, an agreement on collective cooperation in the production of equipment for atomic electric power stations, agreements on specialization and cooperation of production. Together with remaining treaties and agreements, they form a firm and reliable base for the further growing development of Soviet-Czechoslovak economic relations in the interests of our countries and of the entire socialist community as a whole.

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